

BUDGET INFORMATION, INSTRUCTIONS, AND FORMS FOR NEH SUMMER SEMINARS AND INSTITUTES

Deadline: March 1, 2005

All of the items listed must be reasonable, necessary to accomplish project objectives, allowable in terms of the applicable federal cost principles, auditable, and incurred during the grant period. Charges to the project for items such as salaries, fringe benefits, travel, and contractual services must conform to the written policies and established practices of the applicant organization. When indirect costs are charged to the project, care should be taken that expenses included in the organization's indirect cost pool are not charged to the project as direct costs.

A. PARTICIPANT STIPENDS

Each participant will receive a stipend according to the duration of the seminar or institute, whether two (\$1,800), three (\$2,400), four (\$3,000), five (\$3,600), or six (\$4,200) weeks. The stipend is intended to help cover travel expenses to and from the project location, basic books and other research expenses, and living expenses for the duration of the period of residency. The sponsoring institution is expected to make provision for suitable housing for participants at reasonable rates.

B. OPERATING COSTS

Item 1: Salaries and Wages

Item 1a: List here the compensation for the project director. Project directors are generally compensated for the time required to conduct the residential portion of the project during the summer, oversee all arrangements, and recruit and select the participants. The following percentages of the base annual academic salary (the salary for the academic year prior to the summer of the seminar or institute) are recommended as appropriate compensation: 13.9% for a two-week session, 16.6% for a three-week session, 19.4% for a four-week session, 22.2% for a five-week session, and 25% for a six-week session. Codirectors would each receive 80% of these amounts.

The compensation formulas outlined above should only apply to project directors who also serve as principal faculty of the program. Directors who do not serve as principal faculty should calculate their compensation in a manner consistent with their restricted duties. Seminar directors and codirectors should assume no other commitments during the time the participants are in residence.

Item 1b: List here other project faculty or lecturers or professional administrative staff employed by the applicant institution. Depending on their assignments and duties, their compensation may be calculated on the basis of an appropriate percentage to their full-time academic year or administrative salary or on a per diem basis. Costs charged to the project budget should be entirely justified by the role and duties to be performed.

Item 1c: List here clerical and secretarial support as well as any support to be provided by graduate assistants.

Item 2: Fringe Benefits

Fringe benefits should be calculated for those individuals employed by the applicant institution and listed on lines 1 a, b, or c. Fringe benefits may include contributions for social security, employee insurance, pension plans, etc. Only those benefits that are not included in an organization's indirect cost pool may be shown as direct costs. Also, fringe benefits for clerical, administrative, and part-time personnel may be calculated at different rates than for employees on academic year appointments. This should be reflected in the breakdown shown on the budget form.

Item 3: Supplies and Materials

Includes the cost of reasonable administrative and project charges for consumable supplies (computer diskettes, instructional materials, educational software, etc.) and expendable equipment (i.e., equipment items costing less than \$5,000 and with an estimated useful life of less than one year). Please note that these costs may be included only if they are not part of the indirect cost pool.

Item 4: Services

Includes the cost of duplication and printing, long-distance telephone charges, postage, rental of films and equipment, and subcontracts of any kind. All services must be essential to the project. (See the section on page 4 for inadmissible budget items.) These requests should be justified in the budget narrative and normally should be modest. Include an itemization of subcontract costs.

Note. The budget should include sufficient funds for duplicating and mailing information and materials about the project for those persons who do not wish to receive them electronically. NEH distributes nationwide the slate of summer offerings: one poster for school teacher seminars and institutes and a one poster for college and university teacher seminars and institutes. A listing of the seminars and institutes is also placed on NEH's website. To supplement this general publicity, project budgets should include a modest amount of funds (up to \$500) for publicity efforts to constituencies unique to the specific seminar or institute.

Item 5: Consultant Fees

List those individuals who are not employed by the applicant institution, but will contribute to the project as visiting lecturers, leaders of study sessions, and master teachers. The honoraria for visiting faculty and other consultants must be no higher than \$500 per person per day or \$2,000 per person per week. Travel and subsistence reimbursement for consultants should be entered below on line 6.

Note: Applicants can budget a \$250 honorarium to compensate persons other than the project director who will assist in reading applications and selecting participants.

Item 6: Professional Travel and Subsistence

Participant travel is covered by the stipend awarded to each participant. List here travel and accommodation expenses for visiting consultants listed in Item 5 and the costs likely incurred by the project director(s) who would be invited to attend an annual 2-day project directors' meeting held in Washington, DC. Project director's travel to and from a seminar or institute site away from the director's home institution is allowed, as are accommodation expenses at this site.

Costs should be calculated in accordance with the applicant institution's policy, and the method of calculation should be provided.

Item 7: Total Direct Costs are calculated by adding items 1 through 6.

C. INDIRECT COSTS (OVERHEAD)

These are costs incurred for common or joint objectives that cannot be readily identified with a specific project or activity of an organization. Typical examples of indirect cost items are the salaries of executive officers, the costs of operating and maintaining facilities, local telephone service, office supplies, and accounting and legal services.

Indirect costs are computed by applying a negotiated indirect cost rate to a distribution base (typically a portion of the direct costs of the project). Organizations that wish to include overhead charges in the budget but do not have a current federally negotiated indirect cost rate or have not submitted a pending indirect cost proposal to a federal agency may choose one of the following options:

1. NEH will not require the formal negotiation of an indirect cost rate, provided the charge for indirect costs does not exceed 10 percent of direct costs, less distorting items (e.g., capital expenditures, participant stipends, major subcontracts), up to a maximum total project charge of \$5,000 per year. (Applicants who choose this option should understand that they must maintain documentation to support overhead charges claimed as part of project costs.)
2. If your organization wishes to use a rate higher than 10 percent or claim more than

\$5,000 in indirect costs per year, an estimate of the indirect cost rate and the charges should be provided on the budget form. If the application is approved for funding, you will be instructed to contact the NEH office of Inspector General to develop an indirect cost proposal.

D. AMOUNT REQUESTED FROM NEH:

Amount requested includes items A, B, and C.

BUDGET NARRATIVE

A brief budget narrative may be included when requested costs are unusual or not clearly related to the proposed project. Justifications for equipment rentals and purchases should be provided here.

INADMISSIBLE BUDGET ITEMS

The following costs are not allowable and may not appear in project budgets:

- The cost of replacement teachers or compensation for faculty members performing their regular duties.
- The rental of recreational facilities and costs related to social events such as banquets, receptions, and entertainment.
- Tuition fees for participants. Credit may be awarded to participants seeking it at the discretion of the applicant institution. If any filing fee or tuition must be charged, it should be charged directly to those participants wishing to receive credit and should be fixed at the lowest possible rate. Such fees should not be deducted from the participants' stipends.

SAMPLE BUDGET: SUMMER SEMINAR

A. PARTICIPANT STIPENDS

4 week seminar, 15 participants @ \$3,000 \$45,000

B. OPERATING COSTS

1. Salaries and Wages

a. Project Co-Directors \$19,400
19.4% of academic year salary \$65,000 = \$12,610 x 80% = \$10,088
19.4% of academic year salary \$60,000 = \$11,640 x 80% = \$9,312

b. Faculty, Lecturers, and Other Project Staff \$ 250
1 Selection Committee Stipend

c. Secretarial support and Graduate Assistants \$ 1,788
Secretary: 2-1/2 months x 33% of \$26,000

2. Fringe Benefits \$ 5,056
24% of \$19,650 (1a+b) = \$4,716
19 % of \$1,788 (1c) = \$340

3. Supplies and Materials (Consumables) \$ 525
Misc: \$35 x 15 participants

4. Services \$ 620
postage: 500 x .37 = \$185
telephone: 3 months x 120 = \$360
duplicating: 1500 x .05 = \$75

5. Consultant Fees and Honoraria \$ 250
1 Selection Committee Stipend

6. Professional Travel and Subsistence \$ 645
2-day Project Directors' Meeting
airfare: \$375; per diem: \$270

7. Total of item B only (1 through 6) \$28,534

C. INDIRECT COSTS

Negotiated rate based on appropriate share of "Operating Costs" only \$ 7,990
(28% of \$28,534)

D. TOTAL PROJECT COSTS (add A, B, & C) **\$81,524**

SAMPLE BUDGET: SUMMER INSTITUTE

A. PARTICIPANT STIPENDS

3 week seminar, 30 participants @ \$2,400 \$72,000

B. OPERATING COSTS

1. Salaries and Wages

a. Project Director (16.6% of academic year salary \$55,000) \$9,130

b. Faculty, Lecturers, and Other Project Staff
2 full-time Faculty (11.1% of \$45,000) \$9,990

c. Secretarial support and Graduate Assistants
Secretary: 5 months x 30% of \$24,000 = \$3,000
Graduate Asst: \$9/hr x 20 hrs/week x 5 weeks = \$900 \$3,900

2. Fringe Benefits

24% of \$22,120 = \$4,645
14 % of \$900 = \$126 \$4,771

3. Supplies and Materials (Consumables)

Miscellaneous office supplies = \$150
Materials (31 sets x \$60) = \$1,860 \$2,010

4. Services

postage: 3,000 x .37 = \$1,110
telephone: 5 months x 150 = \$750
duplicating: 1500 x .05 x 30 part. = \$225 \$2,085

5. Consultant Fees and Honoraria

4 guest lecturers x 2 days x \$500 = \$4,000
1 master teacher x 4 days x \$500 = \$2,000 \$6,000

6. Professional Travel and Subsistence

Director: 2-day Project Directors Meeting
airfare: \$375; per diem: \$270
Guest lecturers: 4 airfares @\$800; 8 per diems @\$120 \$4,805

7. Total of item B only (1 through 6) \$42,691

C. INDIRECT COSTS

Negotiated rate based on appropriate share of "Operating Costs" only
(28% of \$42,691) \$11,953

D. TOTAL PROJECT COSTS (add A, B, & C) \$126,644

NEH SUMMER SEMINARS AND INSTITUTES BUDGET FORM

Applicant Institution: _____

Project Director: _____

Project Title: _____

Project Grant Period:

☐ **Seminar** (12 mos.): October 1, _____ to September 30, _____

☐ **Institute** (15 mos.): October 1, _____ to December 31, _____

A. PARTICIPANT STIPENDS

2 weeks: _____ participants X \$1,800 =

3 weeks: _____ participants X \$2,400 =

4 weeks: _____ participants X \$3,000 =

5 weeks: _____ participants X \$3,600 =

6 weeks: _____ participants X \$4,200 = \$_____

B. OPERATING COSTS

1. Salaries and Wages

a. Project Director
(_____ % of academic year salary \$_____) \$_____

b. Faculty, Lecturers, and Other Project Staff from applicant institution.
List names and titles/method of cost computation. \$_____

c. Secretarial support and Graduate Assistants (Unless part of indirect
cost pool). List names and titles/method of cost computation. \$_____

2. Fringe Benefits

_____ % of \$_____ for professional personnel.

_____ % of \$_____ for other staff, if applicable. \$_____

3. Supplies and Materials (Consumables)

Office supplies, instructional materials, etc.

List here item/basis/method of cost computation.

\$_____

4. Services

Cost of duplication, printing, telephone, postage, subcontracts, etc.
not included in the indirect cost pool.

List here the items/cost basis.

\$_____

5. Consultant Fees and Honoraria

Faculty and staff not employed by the applicant institution.

List here the name or type of consultant/# of days/daily rate.

\$_____

6. Professional Travel and Subsistence

\$_____

7. Total of item B only (1 through 6)

\$_____

C. INDIRECT COSTS

If indirect costs will be charged to the project, **CHECK THE APPROPRIATE BOX BELOW** and provide the information requested. Refer to the budget instructions for explanations of these options.

- ☐ Current indirect cost rate(s) has/have been negotiated with federal agency.
(Complete items 1 and 2)
- ☐ Indirect cost proposal has been submitted to a federal agency but not yet negotiated. (Indicate the name of the agency in item 1 and show proposed rate(s) and base(s), and the amount(s) of indirect costs in item 2.)
- ☐ Indirect cost proposal will be sent to NEH if application is funded. Provide an estimate in item 2 of the rate that will be used and indicate the base against which it will be charged and the amount of indirect costs.)
- ☐ Applicant chooses to use a rate not to exceed 10% of direct costs, less distorting items, up to a maximum charge of \$5,000 per year. (Under item 2, enter the proposed rate, the base against which the rate will be charged, and the computation of indirect costs or \$5,000, whichever sum is less.)

| | | |
|----|--|--------------------------|
| 1. | <u>Name of federal agency</u> | <u>Date of agreement</u> |
| | | |
| 2. | Rate(s) _____ Base(s) _____ _____ % of \$ _____ | \$ _____ |
| | | |
| | TOTAL INDIRECT COSTS | \$ _____ |

D. AMOUNT REQUESTED FROM NEH (add A, B, & C) \$

INSTITUTIONAL GRANT ADMINISTRATOR

Provide the information requested below when a **revised** budget is submitted. The signature of this person indicates approval of the budget submission.

Name and Title: _____
(please type or print)

Signature: _____ Date: _____

E-mail: _____ Telephone: (____) _____